

WHITE METAL RESOURCES CORP.
Condensed Consolidated Interim Financial Statements
Second Quarter ended October 31, 2018

(Expressed in Canadian Dollars)
(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements of the Company for the period ending October 31, 2018 have been prepared by management and have not been subject to review by the Company's auditors.

WHITE METAL RESOURCES CORP.

Condensed Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	October 31, 2018	April 30, 2018
	\$	\$
Assets		
Current assets		
Cash	123,860	91,948
Cash – restricted (Note 3)	264,048	301,065
Amounts receivable	18,138	12,970
Prepaid expenses	7,364	4,105
Marketable securities (Note 4)	40,023	46,401
Refundable security deposits (Note 9)	32,900	32,700
	486,333	489,189
Exploration and evaluation assets (Note 5)	666,249	521,260
	1,152,582	1,010,449
Liabilities and Equity		
Current liabilities		
Accounts payable and accrued liabilities	41,920	27,187
Deferred premium on flow-through shares (Note 6(a)(vii))	19,824	22,808
	61,744	49,995
Equity		
Share capital (Note 6)	1,841,558	1,516,980
Reserves	694,074	700,032
Accumulated other comprehensive loss	(37,332)	(9,037)
Deficit	(1,407,462)	(1,247,521)
	1,090,838	960,454
	1,152,582	1,010,449

See accompanying notes to the condensed consolidated interim financial statements

Nature and continuance of operations (Note 1)

Commitment (Note 10)

Subsequent event (Note 5)

Approved by the Board of Directors and authorized for issue on December 3, 2018.

"Jean-Pierre Colin"

Jean-Pierre Colin, Director

"Elliot Strashin"

Elliot Strashin, Director

WHITE METAL RESOURCES CORP.

Condensed Consolidated Interim Statements of Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended Oct. 31, 2018	Three Months Ended Oct. 31, 2017	Six Months Ended Oct. 31, 2018	Six Months Ended Oct. 31, 2017
	\$	\$	\$	\$
Operating costs and expenses				
Advertising and promotion	12,496	895	29,997	1,159
Bank charges and interest	285	93	550	181
Consulting	12,000	1,480	20,000	1,850
General exploration	1,427	7,392	1,427	10,190
Insurance	2,576	2,548	5,442	5,259
Legal and accounting (Note 7)	14,967	8,110	18,592	11,165
Salaries and benefits	2,054	52,262	3,736	52,262
Office and miscellaneous	3,285	1,743	6,413	2,593
Trust and filing fees	5,867	5,851	6,752	6,975
Loss before other items	(54,957)	(80,374)	(92,909)	(91,634)
Other items:				
Gain (loss) on disposition of exploration and evaluation assets (Note 5(b))	(12,885)	2,700	(90,116)	2,700
Premium on flow-through shares (Note 6(a)(vii))	9,137	7,666	23,084	14,088
Net loss for the period	(58,705)	(70,008)	(159,941)	(74,846)
Other comprehensive loss				
Unrealized gain (loss) on marketable securities	(18,934)	(18,218)	(28,295)	(17,718)
Comprehensive loss for the period	(77,639)	(88,226)	(188,236)	(92,564)
Weighted average number of common shares outstanding	41,306,999	35,761,725	40,617,738	35,645,693
Basic and diluted loss per share	\$0.00	\$0.00	\$0.00	\$0.00

See accompanying notes to the condensed consolidated interim financial statements

WHITE METAL RESOURCES CORP.

Condensed Consolidated Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Six Months Ended Oct. 31, 2018	Six Months Ended Oct. 31, 2017
	\$	\$
Cash provided by (used for):		
Operating activities		
Net loss for the period	(159,941)	(74,846)
Items not involving the use of cash:		
Flow-through shares premium	(23,084)	(14,088)
Share-based payments	-	52,262
Loss on disposition of exploration and evaluation assets	90,116	(2,700)
Changes in non-cash operating capital:		
Amounts receivable	(5,168)	77,541
Prepaid expenses	(3,259)	(4,961)
Accounts payable and accrued liabilities	14,733	14,868
	(86,603)	48,076
Investing activities		
Exploration and evaluation expenditures	(279,522)	(160,142)
Refundable security deposits	(200)	(31,200)
Proceeds on disposition of exploration and evaluation assets	50,000	70,000
	(229,722)	(121,342)
Financing activities		
Cash from shares issued	319,660	180,000
Share issue costs	(8,440)	(2,787)
	311,220	177,213
Change in cash for the period	(5,105)	103,947
Cash, beginning of the period	393,013	421,556
Cash, end of the period	387,908	525,503
Cash consists of the following:		
Cash	123,860	258,585
Cash - restricted	264,048	266,918
	387,908	525,503
Supplemental information		
Shares issued for exploration and evaluation assets	27,500	12,750
Shares received/receivable for exploration and evaluation assets	56,719	31,187

See accompanying notes to the condensed consolidated interim financial statements

WHITE METAL RESOURCES CORP.

Condensed Consolidated Interim Statements of Changes in Equity
(Unaudited - Expressed in Canadian dollars)

	Number of shares	Share capital \$	Reserves \$	Accumulated other comprehensive income (loss) \$	Deficit \$	Total Equity \$
April 30, 2017	34,791,073	1,233,812	631,484	(1,052)	(1,098,111)	766,133
Issued for cash:						
Private placement	3,600,000	180,000	-	-	-	180,000
Share issue costs - cash	-	(2,787)	-	-	-	(2,787)
Share issue costs – finder’s warrants	-	(1,611)	1,611	-	-	-
Deferred premium on flow-through shares (Note 6(a)(vii))	-	(42,000)	-	-	-	(42,000)
Issued in connection with property option agreements	350,000	12,750	-	-	-	12,750
Unrealized gain on available-for-sale investment	-	-	-	(17,718)	-	(17,718)
Share-based payments	-	-	52,262	-	-	52,262
Net loss for the year	-	-	-	-	(74,846)	(74,846)
October 31, 2017	38,741,073	1,380,164	685,357	(18,770)	(1,172,957)	873,794
April 30, 2018	39,855,240	1,516,980	700,032	(9,037)	(1,247,521)	960,454
Issued for cash:						
Private Placement	1,340,000	201,000	-	-	-	201,000
Share issue costs – cash	-	(8,440)	-	-	-	(8,440)
Deferred premium on flow-through shares (Note 6(a)(vii))	-	(20,100)	-	-	-	(20,100)
Issued upon exercise of warrants	824,400	124,618	(5,958)	-	-	118,660
Issued in connection with property option agreements	250,000	27,500	-	-	-	27,500
Unrealized loss on available-for-sale investment	-	-	-	(28,295)	-	(28,295)
Net loss for the period	-	-	-	-	(159,941)	(159,941)
October 31, 2018	42,269,640	1,841,558	694,074	(37,332)	(1,407,462)	1,090,838

See accompanying notes to the condensed consolidated interim financial statements

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2018

(Unaudited - Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company is incorporated in British Columbia, Canada and has been primarily involved in the acquisition and exploration of mineral properties in the Province of Ontario, Canada. The address of its corporate office and principal place of business is 684 Squier Street, Thunder Bay, Ontario, Canada, P7B 4A8.

At the date of these financial statements, the Company has not been able to identify a known body of commercial grade ore on any of its properties. The ability of the Company to recover the costs it has incurred to date on these properties is dependent upon the Company being able to identify a commercial ore body, to finance its exploration and development costs and to resolve any environmental, regulatory, or other constraints which may hinder the successful development of the property. Although the Company is unaware of any defects in its title to its mineral properties, no guarantee can be made that none exist.

These financial statements have been prepared on the basis of a going concern, which presumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as going concern as described in the following paragraph. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

The Company has a need for financing for working capital, and the exploration and development of its properties. The ability of the Company to continue operations is dependent upon the continued financial support of its shareholders, other investors and lenders, and the successful development of the Company's interests in the mineral properties in which it holds interests. The Company has not determined whether any of the properties contain mineral reserves that are economically recoverable. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations. Since inception, the Company has incurred cumulative operating losses of \$1,407,462 and expects to incur further losses in the development of its business, and at October 31, 2018 has no source of operating revenue. These financial statements include no adjustments which might become necessary if the Company cannot meet its obligations and continue on a going-concern basis.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The accounting policies followed in these condensed interim financial statements are the same as those applied in the audited annual consolidated financial statements of the Company for the year ended April 30, 2018.

The policies applied in these interim condensed financial statements are based on IFRS issued and outstanding as of December 3, 2018, the date the Audit Committee approved the statements. Any subsequent change to IFRS after this date could result in changes to the financial statements for the year ended April 30, 2019.

The condensed interim financial statements do not contain all disclosures required under IFRS and should be read in conjunction with the audited annual financial statements and the notes thereto for White Metal Resources for the year ended April 30, 2018.

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2018

(Unaudited - Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Basis of preparation

These financial statements have been prepared on the historical cost basis. The presentation and functional currency of the Company is the Canadian dollar. These financial statements include the accounts of the Company and its wholly-owned subsidiary 1191557 Ontario Corp.

All transactions and balances between the Company and its subsidiary are eliminated on consolidation. Amounts reported in the financial statements of the subsidiary have been adjusted where necessary to ensure consistency with the accounting principles adopted by the Company.

c) Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies:

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in these financial statements:

- The determination that the Company will continue as a going concern for the next year; and
- The determination that there have been no events or changes in circumstances that indicate that the carrying amounts of exploration and evaluation assets may not be recoverable.

3. RESTRICTION ON THE USE OF CASH

During the year ended April 30, 2018 and period ended October 31, 2018, the Company issued common shares that were designated as being flow-through shares. One of the conditions of issuing flow-through shares is that the Company is required to retain the gross cash proceeds for the exclusive purpose of incurring qualified Canadian exploration expenditures, and not for other purposes.

	October 31 2018	April 30, 2018
Restricted cash, beginning of year	\$ 301,065	\$ 215,727
Gross proceeds received upon issuance of flow-through shares	201,000	330,250
Qualified exploration expenditures incurred with these funds	(253,017)	(259,912)
GIC held as credit card collateral	15,000	15,000
Restricted cash, end of year	\$ 264,048	\$ 301,065

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2018

(Unaudited - Expressed in Canadian Dollars)

4. MARKETABLE SECURITIES

	October 31, 2018		April 30, 2018	
	Number of Shares	Market Value \$	Number of Shares	Market Value \$
Benton Resources Inc.	25,000	1,125	25,000	1,500
Minfocus Exploration Corp.	61,428	2,457	430,000	8,600
Ardiden Limited	5,592,949	36,441	2,592,949	36,301
Balance, end of year		40,023		46,401

All marketable securities are classified as available for sale.

During the period ended October 31, 2018, Minfocus Exploration Corp. ("Minfocus") completed a share consolidation transaction whereby 7 old Minfocus common share were exchanged for 1 new Minfocus common share. The Company held 430,000 shares of Minfocus prior to the consolidation. The shares were valued at the October 31, 2018 closing price of \$0.04 post-share consolidation (April 30, 2018 - \$0.02 pre-share consolidation).

During the year ended April 30, 2018, the Company received 2,592,949 shares of Ardiden Limited (ASX: ADV) related to the disposition of the Pickle Lake project more fully described in note 5(b) below. During the period ended October 31, 2018, the Company received an additional 3 million shares of Ardiden related to their election to acquire the Pickle Lake properties 100% from the Company. The shares were valued at the closing market price of \$0.007 AUD per share translated at the October 31, 2018 exchange rate of \$0.9308 CAD.

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2018

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

For the six months ended October 31, 2018

		Shebandowan (a)	Pickle Lake (b)	Gunners Cove (c)	Other (d)	Total
April 30, 2017 - Acquisition Costs	\$	28,836	-	23,560	8,384	60,780
Additions		-	-	37,560	16,445	54,005
Recoveries		-	-	-	-	-
<i>Subtotal</i>	\$	-	-	37,560	16,445	54,005
October 31, 2018- Acquisition Costs	\$	28,836	-	61,120	24,829	114,785
April 30, 2018 - Exploration and Evaluation Expenditures	\$	139,444	162,033	112,607	46,396	460,480
Assaying		-	-	10,395	144	10,539
Prospecting		3,063	-	61,647	5,695	70,405
Geology		1,785	-	31,717	1,540	41,042
Geophysics		-	-	5,049	4,588	9,637
Trenching		75	-	90,944	-	91,019
Drilling		30,375	-	-	-	30,375
Miscellaneous		-	-	-	-	-
Recoveries/Disposals		-	(162,033)	-	-	(162,033)
<i>Subtotal</i>	\$	35,298	(162,033)	205,752	11,967	90,984
October 31, 2018 - Exploration and Evaluation Expenditures	\$	174,742	-	318,359	58,363	551,464
October 31, 2018 - Total	\$	203,578	-	379,479	83,192	666,249

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2018

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS *(continued)*

For the year ended April 30, 2018

		Shebandowan (a)	Pickle Lake (b)	Gunners Cove (c)	Other (d)	Total
April 30, 2017 - Acquisition Costs	\$	24,775	76,250	-	-	101,025
Additions		4,061	15,000	23,560	8,384	51,005
Recoveries		-	(91,250)	-	-	(91,250)
<i>Subtotal</i>	\$	4,061	(76,250)	23,560	8,384	(40,245)
April 30, 2018- Acquisition Costs	\$	28,836	-	23,560	8,384	60,780
April 30, 2017 - Exploration and Evaluation Expenditures	\$	39,539	201,250	-	-	240,789
Assaying		34,269	-	7,125	2,685	44,079
Prospecting		37,324	-	27,912	10,076	75,312
Geology		6,062	1,005	20,591	2,368	30,026
Geophysics		6,614	-	56,979	30,882	94,475
Trenching		15,267	-	-	250	15,517
Drilling		369	-	-	135	504
Miscellaneous		-	2,715	-	-	2,715
Recoveries		-	(42,937)	-	-	(42,937)
<i>Subtotal</i>	\$	99,905	(39,217)	112,607	46,396	219,691
April 30, 2018 - Exploration and Evaluation Expenditures	\$	139,444	162,033	112,607	46,396	460,480
April 30, 2018 - Total	\$	168,280	162,033	136,167	54,780	521,260

a) Shebandowan, Ontario

The Shebandowan project consists of the Company's 100% owned Vanguard property, as well as the recently acquired and contiguous claim group known as the Shebandowan Gold Project ("Shebandowan").

The Vanguard property consists of 99 boundary and single cell mining claims totalling 2,107 hectares located in the Burchell Lake, Greenwater Lake, and Kashabowie Lake areas in the Thunder Bay Mining District, northwestern Ontario, approximately 100 kilometres west of the City of Thunder Bay, Ontario.

In December 2016, the Company executed an Option Agreement with Benton Resources Inc. ("Benton", a company related by common director Michael Stares) to acquire the Shebandowan property, which consists of 125 boundary and single cell mining claims totalling 2,661 hectares, and which adjoins the Vanguard claims to the south and east in the Burchell Lake, Greenwater Lake and Kashabowie Lake areas. The Company will have the option to earn a 100% interest in the Shebandowan property under the following terms:

- Paying Benton \$15,000 cash and issuing 200,000 shares of the Company on signing, acceptance and approval by the TSX Venture Exchange (paid and issued);
- Benton will retain a 2% Net Smelter Return Royalty ("NSR") on the Shebandowan property with the Company having the option to buy-back 1% for \$1 million;
- The Company agrees to keep all claims in good standing and should the Company elect to drop any claims contained within the option agreement, it will ensure that all claims have at least six months of assessment credits recorded; and,

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2018

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS *(continued)*

- Paying Benton \$500,000 in cash, shares or a combination of cash and shares at the Company's election upon completion of a National Instrument 43-101 ("NI 43-101") compliant mineral resource estimation on any claims subject to the option agreement.

In addition, during the year ended April 30, 2018, the Company entered into an Option Agreement to purchase a 100% ownership of a five unit claim adjacent to the West Vanguard claim group. The agreement, with a local Thunder Bay prospector (the "Vendor"), is structured such that the Company can purchase 100% ownership of the property by making a one-time cash payment of \$15,000 and issuing 100,000 shares of the Company (issued) to the Vendor. The Vendor was to retain a 2% NSR of which 1% can be purchased for \$1 million. The Company also retained the right of first refusal ("ROFR") on the remaining 1% NSR. The claims were returned to the Vendor during the current year prior to the cash payment becoming due.

b) Pickle Lake, Ontario

The Pickle Lake properties consist of four claims packages in the Pickle Lake area, Ontario:

- Dorothy-Dobie Lake Property
- Kasagiminnis Lake Property
- South Limb Property
- Pickle Lake West Property

Dorothy-Dobie Lake Property

The Dorothy-Dobie Lake property consists of two separate option agreements and claim groups which are more fully described below.

On July 4, 2016, the Company secured an Option Agreement (the "Murchison Option") with its Joint Venture Partner, Murchison Minerals Ltd. (CSE:MUR) ("Murchison"), formerly Manicouagan Minerals Inc., to acquire Murchison's joint venture interest in certain mining claims located in the Pickle Lake area of northwestern Ontario. The Murchison Option requires the Company to pay Murchison \$45,000 (\$10,000 paid) over the first two years of the three year option period and to expend \$1,200,000 in exploration work over three years to acquire Murchison's 51% ownership of the Pickle Lake Claims (the "claims"). Once the option is completed, Murchison would retain a 1% NSR, of which one-half could be bought by the Company for \$1,000,000, with the second 50% purchasable for \$1,500,000. Included in the Murchison Option are certain claims held 100% by Murchison and also all claims that were included in its Joint Venture Agreement with the Company.

The Company secured a second Option Agreement (the "Kukkee Option") for certain mining claims located in the Pickle Lake area of northwestern, Ontario. The Kukkee Option requires the Company to issue to the vendor 1,500,000 common shares over the four-year option period (200,000 common shares were issued on July 11, 2016 and 250,000 common shares were issued on April 25, 2017) and also to make cash payments to the vendor that total \$110,000 (\$15,000 paid) over the first three years of the four-year option period. The property of the Kukkee Option is subject to a 2% NSR of which 1% can be bought out at any time by the Company for \$1,000,000. Annual advance royalty payments of \$50,000 cash are due and payable to the Optionor commencing April 15, 2026, and will continue until commencement of commercial-scale production.

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2018

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS *(continued)*

Kasagiminnis Lake Property

The Kasagiminnis Lake property is located in northwestern Ontario approximately 25 kilometres southwest of the Town of Pickle Lake, and approximately 15 kilometres west of Mishkeegogamang First Nation Community of New Osnaburgh. The claim group consists of a contiguous block of 49 single cell mining claims totalling 987 hectares that is situated in the Little Ochig Lake Area.

South Limb Property

The South Limb property consists of 89 boundary and single cell mining claims totalling 1,788 hectares and is located in the Dona Lake area near Pickle Lake, Ontario.

Pickle Lake West Property

The Pickle Lake West property consists of 76 boundary and single cell mining claims totalling 1,525 hectares and is located in the Kapkichi Lake Area near Pickle Lake, Ontario.

During the year ended April 30, 2018, the Company announced that it signed a Letter of Intent (“LOI”) with Ardiden Limited. (“Ardiden”), a public company the shares of which trade on the Australian Securities Exchange (ASX: ADV). The LOI allowed Ardiden to acquire a 100% interest in all of the Company’s Pickle Lake projects, inclusive of assuming the obligations of all existing underlying option agreements on these properties (collectively the “Project”). During the period ended October 31 2018, Ardiden elected to acquire a 100% interest in the Project and has now made the required aggregate cash payments of \$140,000 and has issued 5,592,949 Ardiden shares as follows (all funds are in Canadian dollars):

- Ardiden shall pay the Company a non-refundable deposit of \$70,000 (received and recorded as a reduction in deferred exploration and evaluation expenditures) and 1,592,949 Ardiden shares (received) within five business days of executing the LOI;
- Ardiden will have the exclusive right to complete due diligence on the project for 12 months (to allow access to the site in the 2017 field season). After six months Ardiden is required to make an additional payment of \$20,000 (received) and to issue an additional 1,000,000 Ardiden shares (received) to retain the exclusive due diligence right for the remaining six months;
- Upon completion of the 12 month due diligence period, Ardiden may elect to exercise the option to acquire the Project; and
- Should Ardiden elect to acquire the Project, Ardiden shall pay the Company a further \$50,000 (received) and issue a further 3,000,000 (received) Ardiden common shares.

The Company will maintain the right to purchase the existing 1% NSR held by Murchison Minerals Ltd. on the Murchison joint venture claims on the Dorothy-Dobie and Kasagiminnis properties, pursuant to which 0.5% can be purchased for \$1,000,000 and the second 0.5% can be purchased for \$1,500,000. The original vendor of the Kasagiminnis property will retain a 2% NSR of which 1% can be purchased by Ardiden Limited for \$1,000,000 along with a Right of First Refusal (“ROFR”) on the remaining 1%. With respect to the newly acquired claims located within the Dorothy-Dobie claim group, the “Kukkee Option” (see press release dated July 4, 2016), the vendor retains a 2% NSR of which 1% can be purchased by Ardiden for \$1,000,000 with Ardiden retaining a ROFR on the remaining 1% NSR from the original vendor. In addition, the Company will hold a 1% NSR on this same Kukkee Option claim group. The Company will retain a 2% NSR on the 100%-owned West Pickle and South Limb properties of which 1% can be purchased by Ardiden for \$1,000,000. Ardiden will have a ROFR on the remaining 1% NSR.

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Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2018

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS *(continued)*

c) Gunners Cove

During the year ended April 30, 2018, the Company signed a Letter of Intent (“LOI”) to earn 100% of the Gunners Cove property located approximately 20 kilometres north of St. Anthony, Newfoundland and Labrador and consisting of 658 claim units (16,400 ha or 164 square-kilometres). Under the terms of the LOI, the Company has the right to acquire a 100% interest from the vendor over a three-year period under the following terms:

- Total cash payments of \$55,000:
 - Signing \$5,000 (paid)
 - 1st Anniversary \$10,000 (paid)
 - 2nd Anniversary \$20,000
 - 3rd Anniversary \$20,000
- Total payment of 1,000,000 common shares:
 - Signing 250,000 (issued)
 - 1st Anniversary 250,000 (issued)
 - 2nd Anniversary 250,000
 - 3rd Anniversary 250,000

Should the Company outline NI 43-101 compliant mineral resources totalling greater than 500,000 ounces of gold, the Company agrees to pay the vendor an additional 1,000,000 common shares. In addition, the vendor will retain a 2% Net Smelter Return Royalty of which 1% can be bought back for \$1,000,000; the Company will have the ROFR on the remaining 1% NSR.

d) Other Properties

The Company also retains certain other early stage mineral property interests and noteworthy transactions in “Other” properties and includes the following below:

Far Lake Property

During the year ended April 30, 2018, the Company acquired by staking a 100% interest in the Far Lake property located approximately 80 kilometres northwest of Thunder Bay, Ontario. The property consists of 84 single cell mining claims totalling 1,785 hectares.

Little Joanna Property

During the period ended October 31, 2018, the Company entered into an option agreement for a 100% interest in the Little Joanna gold property, located approximately 25km northeast of the town of Glenwood in central Newfoundland. The property consists of 280 claim units (253 of which were staked by the Company and added to the option) covering 7,000 hectares. Pursuant to the terms of the option agreement, the Company is required to make cash payments totaling \$170,000 and issue 1,800,000 common shares to the vendors of the property as follows:

- \$15,000 and 300,000 common shares upon receipt of regulatory approval; (subsequently paid and issued)
- \$25,000 and 300,000 common shares on or before the first anniversary;
- \$30,000 and 300,000 common shares on or before the second anniversary;
- \$40,000 and 400,000 common shares on or before the third anniversary; and
- \$60,000 and 500,000 common shares on or before the fourth anniversary.

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5. EXPLORATION AND EVALUATION ASSETS *(continued)*

The vendors will retain a 2% Net Smelter Return Royalty (“NSR”) of which the Company will have the right to purchase 1% for \$1,000,000 and have the first right of refusal on the remaining 1%. The option agreement is subject to an advanced royalty payment of \$7,000 per year, payable in cash or shares, after year 5 of the option agreement. The option agreement received regulatory approval in the subsequent period.

Williams Property

During the period ended October 31, 2018, the Company entered into an option agreement for a 100% interest in the Williams gold property, located approximately 40km southwest of the town of Glenwood in central Newfoundland. The property consists of 280 claim units (253 of which were staked by the Company and added to the option) covering 7,000 hectares. Pursuant to the terms of the option agreement, the Company is required to make cash payments totaling \$170,000 and issue 1,800,000 common shares to the vendors of the property as follows:

- \$15,000 and 300,000 common shares upon receipt of regulatory approval; (subsequently paid and issued)
- \$25,000 and 300,000 common shares on or before the first anniversary;
- \$30,000 and 300,000 common shares on or before the second anniversary;
- \$40,000 and 400,000 common shares on or before the third anniversary; and
- \$60,000 and 500,000 common shares on or before the fourth anniversary.

The vendors will retain a 2% Net Smelter Return Royalty (“NSR”) of which the Company will have the right to purchase 1% for \$1,000,000 and have the first right of refusal on the remaining 1%. The option agreement is subject to an advanced royalty payment of \$7,000 per year, payable in cash or shares, after year 5 of the option agreement. The option agreement received regulatory approval in the subsequent period.

Williams West Property

Subsequent to the period ended October 31, 2018, the Company staked 50 claim units totaling 1,250 hectares near the Williams Gold project (described above). The Company owns a 100% interest in the project

6. SHARE CAPITAL

- a) The authorized share capital of the Company consists of an unlimited number of common shares.

Details of the Company’s share capital transactions during the period ended October 31, 2018 and year ended April 30, 2018 are as follows:

- (i) On May 9, 2017, the Company closed the second tranche of a non-brokered private placement, issuing 800,000 flow-through units at a price of \$0.05 per flow-through unit for gross proceeds of \$40,000. Each flow-through unit consists of one flow-through common share of the Company and one-half of one common share purchase warrant, with each warrant exercisable at \$0.15 per warrant share for 24 months from closing, with the Company able to accelerate the exercise period of the warrants if the Company’s shares trade at or above \$0.25 for 10 consecutive trading days. In conjunction with the closing of this second tranche, the Company paid net cash commissions of \$2,787 and issued 56,000 finders’ warrants valued at \$1,611, with each warrant exercisable at \$0.15 per warrant share for a period of 24 months from closing.
- (ii) On October 6, 2017, the Company issued 250,000 common shares valued at \$0.035 per share to the vendor of the Gunners Cove property as outlined in note 5(c).

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6. SHARE CAPITAL (continued)

- (iii) On November 1, 2017, the Company closed a non-brokered private placement, issuing 2,800,000 flow-through units at a price of \$0.05 per flow-through unit for gross proceeds of \$140,000. Each flow-through unit consists of one flow-through common share of the Company and one common share purchase warrant entitling the holder thereof to acquire an additional common share of the Company at \$0.10 for a period of 24 months from the date of issuance.

On December 28, 2017, the Company closed a non-brokered private placement issuing 1,001,667 flow-through units at a price of \$0.15 per flow-through unit. Each flow-through unit consists of one flow-through common share of the Company and one-half of one common share purchase warrant, with each whole warrant entitling the holder thereof to acquire an additional common share of the Company at \$0.25 for a period of 24 months from the date of issuance. In conjunction with closing this private placement, the Company paid a total of \$10,937 in cash finders' fees to certain finders in accordance with the policies of the TSX Venture Exchange. All securities issued in the private placement were subject to a four-month hold period.

- (iv) On January 8, 2018, the Company issued 112,500 common shares upon the exercise of 112,500 common share purchase warrants with an exercise price of \$0.15.
- (v) During July 2018, the Company issued a total of 631,900 common shares upon the exercise of 631,900 common share purchase warrants at an average exercise price of \$0.142.
- (vi) During August 2018, the Company issued a total of 192,500 common shares upon the exercise of warrants at an exercise price of \$0.15.
- (vii) During September 2018, the Company closed the first tranche of a non-brokered private placement financing and issued 1,340,000 flow-through units at a price of \$0.15 per unit for gross proceeds of \$201,000. Each flow-through unit consists of one flow-through common share and one-half common share purchase warrant, each whole warrant entitling the holder thereof to acquire an additional common share of the Company at an exercise price of \$0.25 until September 21, 2020. The Company paid cash commissions and expenses totaling \$8,440 pursuant to the financing. The financing received regulatory approval during the period ended October 31, 2018.

The deferred premium on the issuance of the 3,801,667 flow-through shares issued during the year ended April 30, 2018, and 1,340,000 flow-through shares issued during the period ended October 31, 2018 described above, was \$81,108. The cash proceeds of the placements in excess of the fair value of the Company's shares issued is treated as a liability in accordance with IFRS. This liability is reversed into earnings as the Company incurs flow-through eligible exploration and evaluation expenditures. \$23,084 in flow-through share premiums was recognized as income during the period ended October 31, 2018 (October 31, 2017 – \$14,088) resulting in a remaining deferred premium balance of \$19,824 (April 30, 2018 - \$22,808). The Company did not recognize a flow-through premium in connection with the May 2017 financing described at (i) above.

- (viii) On October 3, 2018, the Company issued 250,000 common shares valued at \$0.11 per share to the vendor of the Gunners Cove property as outlined in note 5(c) pursuant to the first anniversary of the option agreement.

b) Share-based payments and share purchase options

The Company applies the fair value method of accounting for share-based payments using the Black Scholes valuation model.

For options granted on February 8, 2018, the fair value of each vested option is \$0.08386 and was estimated on the grant date with the following assumptions: dividend yield of 0%, expected volatility of 100%, a risk-free interest rate of 2.14% and an expected life of approximately 5 years.

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6. SHARE CAPITAL (continued)

For options granted on August 29, 2017, the fair value of each vested option is \$0.03308 and was estimated on the grant date with the following assumptions: dividend yield of 0%, expected volatility of 189%, a risk-free interest rate of 0.88% and an expected life of approximately 5 years.

The continuity of share purchase options is as follows:

	Number of Options	Weighted Average Exercise Price
		\$
Outstanding, April 30, 2017	1,385,000	0.10
Granted	1,755,000	0.10
Outstanding, April 30, 2018	3,140,000	0.10
Expired/Cancelled	(160,000)	0.10
Outstanding, October 31, 2018	2,980,000	0.10

(1) At October 31, 2018, the weighted-average remaining contractual life of stock options outstanding is 2.53 years (April 30, 2018– 3,17 years)

As at October 31, 2018, the following options were outstanding:

Number of Options	Exercise Price	Expiry Date
	\$	
1,085,000	0.10	August 27, 2019
275,000	0.10	April 12, 2021
1,445,000	0.10	August 29, 2022
175,000	0.10	February 8, 2023
2,980,000		

c) Share purchase warrants

The continuity of share purchase warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price
		\$
Outstanding, April 30, 2017	10,351,497	0.15
Issued to investors in private placement	3,700,832	0.13
Issued to finders' in private placement	56,000	0.15
Exercised during the year	(112,500)	0.15
Outstanding, April 30, 2018	13,995,829	0.14
Issued to investors in private placement	670,000	0.25
Exercised during the period	(824,400)	0.14
Expired during the period	(7,664,597)	0.15
Outstanding, October 31, 2018	6,176,832	0.15

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6. SHARE CAPITAL (continued)

As at October 31, 2018, the following warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
	\$	
1,850,000	0.15	April 25, 2019
456,000	0.15	May 9, 2019
2,700,000	0.10	November 1, 2019
500,832	0.25	December 28, 2019
670,000	0.25	September 21, 2020

237,333 finder's warrants were issued on August 18, 2016 pursuant to closing of the second tranche of a non-flow-through private placement. The recorded fair value of each warrant is \$0.0561 and was estimated on the issuance date with the following assumptions: dividend yield of 0%, expected volatility of 188.4%, a risk-free interest rate of 0.57% and an expected life of approximately 2 years using the Black Scholes valuation model. \$13,314 was recorded as share issue costs pursuant to this issuance.

56,000 finders' warrants were issued on May 9, 2017 pursuant to the second tranche closing of the April 2017 flow-through private placement. The recorded fair value of each warrant is \$0.02876 and was estimated on the issuance date with the following assumptions: dividend yield of 0%, expected volatility of 158%, a risk-free interest rate of 0.71% and an expected life of approximately 2 years using the Black Scholes valuation model. \$1,611 was recorded as share issue costs pursuant to this issuance.

7. RELATED PARTY TRANSACTIONS

Key management personnel compensation:

	October 31, 2018	October 31, 2017
	\$	\$
Salaries and benefits	29,525	-
Share-based payments	-	29,770
Accounting, consulting, property contracting services and office rent	83,538	67,815
Total key management personnel compensation	113,063	97,585

All transactions with related parties have occurred in the normal course of operations and management represents that they have occurred on a basis consistent with those involving unrelated parties, and accordingly that they are measured at fair value. Details of the balances in the table above are more fully described below.

During the period ended October 31, 2018, Michael Stares, former President of the Company, earned \$29,525 in salary and statutory benefits (October 31, 2017 - \$nil) for exploration property management and administrative services. At October 31, 2018 the Company owed Michael Stares \$2,503 (October 31, 2017 - \$10,566).

During the period ended October 31, 2018, Benton Resources Inc. ("Benton"), a company Michael Stares is a director and former employee of, billed \$10,550 (October 31, 2017 - \$46,790) to the Company for administrative services and office rent. At October 31, 2018, the Company owed Benton \$1,130 (October 31, 2017 - \$18,995).

During the period ended October 31, 2018, Jean-Pierre Colin, Company President, CEO and director billed the Company \$20,000 (October 31, 2017 - \$nil) for monthly consulting fees related to his duties at a rate of \$4,000 per month. At October 31, 2018, the Company owed Jean-Pierre Colin \$nil (October 31, 2017 - \$nil).

WHITE METAL RESOURCES CORP.

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7. RELATED PARTY TRANSACTIONS *(continued)*

During the period ended October 31, 2018, Dr. Scott Jobin-Bevans, VP Exploration for the Company and director, billed the Company \$12,000 (October 31, 2017 - \$nil) for monthly consulting fees related to his duties at a rate of \$2,000 per month. At October 31, 2018, the Company owed Dr. Jobin-Bevans \$nil (October 31, 2017 - \$nil).

During the period ended October 31, 2018, Stares Prospecting Ltd., a company controlled by Company director Alex Stares, billed \$40,988 (October 31, 2017 - \$28,865) to the Company for property contracting services and equipment rentals. At October 31, 2018, the Company owed Stares Prospecting Ltd. \$nil (October 31, 2017 - \$4,912).

8. CAPITAL MANAGEMENT

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its cash and cash equivalents to be its manageable capital. The Company's policy is to maintain sufficient cash and deposit balances to cover operating and exploration costs over a reasonable future period. The Company accesses capital markets as necessary and may also acquire additional funds where advantageous circumstances arise.

The Company currently has no externally-imposed capital requirements except to maintain sufficient cash and deposit balances to meet exploration commitments entered into pursuant to flow-through share purchase agreements.

9. REFUNDABLE SECURITY DEPOSITS

Refundable security deposits of \$32,900 (April 30, 2018 - \$32,700) represents security deposits paid to the Government of Newfoundland and Labrador in connection with mineral property claims located in the Province of Newfoundland. These refundable security deposits are refundable to the Company upon submission by the Company of a report covering the first year work requirements, which meets the requirements of the Government of Newfoundland and Labrador.

10. COMMITMENT

On January 8, 2018, the Company entered into an agreement with a consultant to provide media and investor awareness services to the Company from January 8, 2018 to January 8, 2019 for \$2,000 per month, with monthly payments payable at signing and on the first of each month from February 2018 to December 2018. At October 31, 2018, the Company had a commitment to pay a remaining \$6,000 for services to be provided under the agreement.